

NEW ENERGY EVENTS IN VIETNAM

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Energy Projects in Long An Province Vietnam's Renewable Energy Projects in Binh Dinh and Phu Yen Provinces Formation of JETP Working Group

**Nguyen Huu Hoai
Russin & Vecchi**

Tel: (84-28) 3824-3026

Email: nhhoai@russinvecchi.com.vn

Web: www.russinvecchi.com.vn

A. ENERGY PROJECTS IN LONG AN PROVINCE

The Prime Minister (“**PM**”) has recently issued a Decision which approves the master plan that will be developed during 2023-2030 (with a vision to 2050) in Long An Province. The Prime Minister (by Decision 686) has approved a list of energy projects in Long An Province: (i) two gas turbine power plants (3,000 MW); (ii) 16 solar power plants (1,814MW); (iii) a number of wind power projects and the Chau Thanh Hydrogen Production Plant (200-500MW); and (iii) one biomass power plant (75MW).

The Prime Minister has also approved transmission line projects and works within Long An Province. Locations, names, and capacity of each energy project can be found in the Appendix attached to the PM’s Decision 686. Now, developers may activate or apply for licenses and permits to develop these energy projects. On the occasion of the issuance of the PM’s Decision 686, the People’s Committee (“**PC**”) of Long An Province invited persons from the private sector to invest in its infrastructure and energy projects. A conference was hosted by Long An Province on 25 July 2023 to announce its master plan (including the energy sector). A number of licenses and MOUs were awarded and signed at that event.

B. RENEWABLE ENERGY PROJECTS IN BINH DINH AND PHU YEN PROVINCES

The People’s Committees of Binh Dinh and Phu Yen Provinces have recently issued letters which seek MOIT’s endorsement for energy projects in their provinces to be developed between 2023-2030.

The Binh Dinh PC (by Letter 4073) has requested the MOIT to include 15 new wind power projects in PDP8: (i) eight onshore wind projects (860MW) and (ii) seven offshore projects (11,000 MW).

On 23 June 2016, the Phu Yen PC (by its letter 2952) requested the MOIT to include 52 new RE projects in PDP8 (6,900 MW): (i) 22 onshore wind projects (2,655 MW); (ii) eight offshore wind projects (2,000 MW); (iii) 11 solar power projects (1,600 MW); (iv) three biomass power projects (110 MW); (v) two waste-to energy projects (25 MW); and (vi) six hydropower projects (509 MW).

In addition, the Binh Dinh PC and the Phu Yen PC have also proposed to develop power transmission lines and substations in Binh Dinh and Phu Yen Provinces.

Under the approved national master plan (PDP8), the total capacity of wind power projects of the whole industry (from 2023 to 2030) will be 6,000 MW. The total capacity, as proposed by the Phu Yen and Binh Dinh PCs for wind power projects, exceeds the approved capacity. The MOIT needs to consider proposals of other provinces and the master plan before MOIT's endorsement can be given.

C. FORMATION OF JETP¹ WORKING GROUP

At COP² 26 that was held in 2021, Vietnam committed to achieve net zero emissions by 2050. To achieve this commitment, Vietnam needs financial and technical support from other countries and members under the Paris Agreement³. At the EU-ASEAN Summit that was held in 2022, developed countries (including EU and UK) and Vietnam have resolved and recorded their commitments in a JETP document namely "Political Declaration" whereby the developed countries will fund Vietnam (about US\$15.5 billion) to support Vietnam's own path to decarbonize and to transit to clean energy while addressing social consequences and the environmental impact. The JETP document indicates that it is a non-binding agreement. This suggests that the financial and technical support, under the JETP mechanism, is conditional and contingent.

On 14 July 2023 the Prime Minister issued Decision 845 to form the JETP Working Group to implement Vietnam's commitments at COP 26 and the JETP. Below are the JETP Working Group's tasks under the PM's Decision 845:

- Create a program to perform JETP;
- Collect information and data, report, and provide recommendations for JETP implementation (including periodical performance assessments, adjustments of objectives and Vietnam's commitments set out in JETP);
- Follow-up and monitor technical and financial support from international partners and the Glasgow Financial Alliance For Net Zero (GFANZ);
- Follow-up and handle procedural matters that relate to individuals and entities that want to participate and develop projects under JETP, and to monitor the implementation of these selected projects;
- Conduct workshops, conferences, and discussions among authorities and international partners and the GFANZ;
- Carry out public communications for JETP implementation and declarations; and
- Provide periodic reports to the Prime Minister.

The formation of the JETP Working Group is only a preliminary step. Actual implementation will depend on other factors, particularly whether Vietnam has good projects that meet the JETP's requirements and conditions.

¹ JETP is an abbreviation of "Just Energy Transition Partnership".

² COP stands for Conference of the Parties ("COP"), and the summit is attended by the countries that signed the United Nations Framework Convention on Climate Change (UNFCCC) which is known as "Paris Agreement".

³ Paris Agreement is an international treaty on climate change which was adopted by 196 countries and jurisdictions, in 2015 in Paris.